

1 reference. Did there come a time when Translator TV, Inc.,  
2 changed its name to National Minority Television, Inc.?

3 A Yes.

4 Q When was that?

5 A It was approximately -- I was thinking it was later  
6 than this, but -- in -- that, that date may not be correct,  
7 because I think we did -- it's hard for me to keep dates  
8 straight. Obviously, it had to be after the time that we  
9 changed the name.

10 Q And didn't -- wasn't the name changed of the company  
11 when the company became involved with the Odessa station?

12 A Yes. So --

13 Q And when was that?

14 A It would have been, it would have been later, much  
15 later than this.

16 Q 1987?

17 A Yeah.

18 Q So, we're off by two years on this letter?

19 A I can't imagine why that letter would be dated '85.

20 Q Who was George Sebastian?

21 A He was a consultant that we used for the low-power  
22 stations. He was actually a volunteer for Trinity and we paid  
23 him for his services for NMTV.

24 Q Was he ever a paid employee of Trinity?

25 A No.

1 Q His status was always that of a volunteer for Trini-  
2 ty?

3 A That's, that's correct.

4 Q What did he do in his capacity as a volunteer?

5 A He would provide some of the assistance with the  
6 low-power engineering applications. He had filed for an  
7 application for himself a few years before and was familiar  
8 with the process. And he would procure sites for us. Some-  
9 times he would travel and locate a site for us in preparation  
10 for the windows.

11 Q When did these activities happen that you were just  
12 describing?

13 A With George Sebastian?

14 Q Yes.

15 A Probably around 198-- I would think probably around  
16 '84.

17 Q What is Inspirational Television, Southern Oregon?

18 A That's his corporation.

19 Q Is that corporation a licensee of any station?

20 A Yes. They, they had one station in Klamath Falls,  
21 Oregon, that they built. And I don't know if he built any --  
22 I think that was the only one that they built.

23 Q That station aired TBN programming, did it?

24 A Yes, it did.

25 Q Do you remember any discussion with Mr. Sebastian

1 preceding your receipt of this letter regarding the matters  
2 that are discussed in this letter?

3 A Yes. He wanted to, to be paid for his services for  
4 National Minority and I told him well, just write up a little  
5 agreement, then, and we will pay you for your services. This  
6 would include his -- whatever he did as far as getting a site  
7 and those types of things, the engineering and whatever else  
8 he found necessary.

9 Q Now, to keep everything in context along our time-  
10 line, I'm going to call the company -- continue to call it  
11 Translator TV, Inc. And my question is did Translator TV,  
12 Inc., accept the terms that are expressed in this letter?

13 A I think we negotiated the terms with him because I  
14 thought they were a little bit high. I, I negotiated on a  
15 case-by-case basis.

16 Q Was there any Board action taken with respect to the  
17 retention of Mr. Sebastian?

18 A I don't believe there was any Board action. I just  
19 made a decision to, to use his services.

20 Q And it's your testimony that you had the authority  
21 to negotiate on a case-by-case basis Translator Television,  
22 Inc.'s use of Mr. Sebastian's --

23 A Yes.

24 Q -- services? Did Mr. Sebastian remain in Oregon at  
25 all times or, or has he since moved to California?

1           A     He was -- he did move to California. In fact, at  
2 this time he was in California. I believe he is --

3           MR. TOPEL: Could we have this time clarified since  
4 there -- I -- are you referring to the --

5           MR. SCHONMAN: 1985.

6           JUDGE CHACHKIN: --

7           MR. TOPEL: The date of the letter or --

8           MRS. DUFF: The -- I'm, I'm not absolutely sure what  
9 the date that he moved to California, but he did move to  
10 California.

11           BY MR. SCHONMAN:

12           Q     Where were his offices in California?

13           A     He had offices in -- at Trinity.

14           Q     Did he have a staff?

15           A     No, he didn't really have a staff. He utilized  
16 whatever support staff I had in my office, but he didn't have  
17 any actual staff. So --

18           Q     Did he -- I'm sorry.

19           A     He didn't have any actual staff. My staff assisted  
20 him when it was necessary. He didn't really have any support  
21 help.

22           Q     So, it's your testimony that Translator TV, Inc.,  
23 used Mr. Sebastian's services on a case-by-case basis. Is  
24 that correct?

25           A     Yes.

1 Q And you --

2 A For, for NMTV, yes.

3 Q Or is it Translator Television, Inc.? I mean, we're  
4 --

5 A At the time that he worked for us, it, it was  
6 National Minority Television.

7 Q Was that your practice to negotiate with consultants  
8 on a case-by-case basis?

9 A Yes. I did this with people that had sites. I had  
10 occasion to do that with Shaefer (phonetic sp.) and Associates  
11 and several other -- well, not several, probably two other  
12 people that would acquire sites for us. I would negotiate on  
13 a case-by-case basis.

14 Q I'd like to move to Bureau Exhibit 96. It's a  
15 Special Meeting of the Board of Directors of Trinity  
16 Broadcasting Network, and that was held on July 12, 1985. Do  
17 you have that before you?

18 A Yes.

19 Q Why don't you take a moment to look through that?  
20 It's three pages in length.

21 (Pause.)

22 BY MR. SCHONMAN:

23 Q Have you looked through that --

24 A Yes.

25 Q I notice in the first paragraph that you attended

1 this meeting.

2 A Yes.

3 Q Is that correct? Now, this was after you left the  
4 Board of TBN because you had lots of work to do --

5 A Yes.

6 Q -- elsewhere. Why is it then that you were attend-  
7 ing this meeting?

8 A This was a Special Meeting and it had to do with --  
9 that was low-power things to be considered. It -- there was  
10 something that affected the low-- you know, Translator. This  
11 -- obviously, there are mentions of translators, so, so there-  
12 fore I was needed to be involved in that.

13 Q What is it that affected translators that required  
14 your attendance at this meeting?

15 A Well, I would need to know what the Board was going  
16 to do. They -- Mr. Crouch had just asked me to attend because  
17 they were going to deal with something like this that would  
18 need my attention.

19 Q Can you point to anything specifically here?

20 A In -- it mentions the negotiation for the purchase  
21 of permits. This is on the last page, page 3.

22 Q Where, where, where are you reading?

23 A The top of the page.

24 Q Now, did you contribute anything to this meeting?

25 A They would have needed to ask me questions and -- to

1 get information about the projects and so forth.

2 Q Can you give me an example?

3 A They would want to know about the -- what the gener-  
4 al costs were going to be for the entire project, something  
5 specific. It -- any of them could ask me about any specific  
6 station that was going to be built. It was just general  
7 information for the, for the Board.

8 Q Turning back to page 1, the, the resolution --  
9 directing you to the two resolutions: "Resolve further the  
10 President is authorized and empowered to execute and sign a  
11 definitive agreement or definitive agreements." Do you see  
12 that paragraph?

13 A Yes.

14 Q There's a reference to Tri-State TV, Inc. Do you  
15 see that?

16 A Yes.

17 Q What is Tri-State TV, Inc.?

18 A Tri-State is a corporation that is an affiliate.  
19 They affiliate with Trinity Broadcasting for its programs and  
20 they have a separate -- it's a different corporation.

21 Q Now, when you say affiliate, do you mean an affili-  
22 ate like Trinity Broadcasting of Florida --

23 A No.

24 Q -- is an affiliate?

25 A No. They have -- it's a totally and separate corpo-

1 ration. No common Board of -- no Directors that are in common  
2 on their Board.

3 Q When you say, say totally separate company, you mean  
4 like NMTV or Translator TV, Inc.?

5 A It's even -- there are no common Directors at all.

6 Q It's more separate than Translator --

7 A Right.

8 Q -- TV, Inc.?

9 A Right.

10 Q So, there are relative degrees of separateness?

11 A This corporation actually has no TBN Direc-- nobody  
12 on their Board that is a TBN Director.

13 Q I see. There's another reference in the next line  
14 to All American TV, Inc.

15 A Yes.

16 Q What is All American TV, Inc.?

17 A All American TV is another corporation that affili-  
18 ates with Trinity Broadcasting for their program service.

19 Q Is that company an affiliate like Trinity  
20 Broadcasting of Florida?

21 A No. They have no common Directors on their  
22 corporation.

23 Q I see. So, it's akin to Tri-State in terms of the  
24 relative separateness from Trinity Broadcasting Network?

25 A That's correct.



1 Q Now, if you turn to page 2 --

2 JUDGE CHACHKIN: Just to be clear, aside from ob-  
3 taining programs from the Trinity Network, are there any other  
4 connections whatsoever between All American and Trinity -- I  
5 mean, besides not having directors?

6 MRS. DUFF: There --

7 JUDGE CHACHKIN: Are there any other agreements of  
8 any kind between the two entities?

9 MRS. DUFF: Trinity has loaned money to All  
10 American.

11 JUDGE CHACHKIN: Which is being paid back, I assume?

12 MRS. DUFF: Yes.

13 JUDGE CHACHKIN: An interest rate is being charged?

14 MRS. DUFF: I don't know what the rate of interest  
15 is, but they do charge interest and --

16 JUDGE CHACHKIN: Are those --

17 MRS. DUFF: They do charge interest.

18 JUDGE CHACHKIN: And they require repayment. I  
19 assume --

20 MRS. DUFF: Oh, yes.

21 JUDGE CHACHKIN: -- repayment is being made?

22 MRS. DUFF: Yes.

23 JUDGE CHACHKIN: There is no forgiveness or, or, or  
24 -- of the debt?

25 MRS. DUFF: Not that I'm aware of.

1 JUDGE CHACHKIN: But aside from that, the fact that  
2 they're making loans and the fact that they don't have common  
3 directors and a pu-- well, aside from programming --

4 MRS. DUFF: Yes.

5 JUDGE CHACHKIN: -- and the fact that there are  
6 loans outstanding, and I assume this is an arms-length trans-  
7 action between the two entities, as you would go to a bank at  
8 which loans are being made? Am I correct?

9 MRS. DUFF: That's correct.

10 JUDGE CHACHKIN: There are no other connections  
11 between All American and Trinity, are there?

12 MRS. DUFF: That's correct.

13 JUDGE CHACHKIN: So, when you say that it's just a  
14 -- just the fact that you don't have directors, there are far  
15 more differences between Trinity vis-a-vis Translator TV and  
16 Trinity and All American, aren't there?

17 MRS. DUFF: These are just separate corporations.

18 JUDGE CHACHKIN: Go ahead, Mr. Schonman, Schonman.

19 BY MR. SCHONMAN:

20 Q The loan that you were referring to, was that re-  
21 duced to writing?

22 A With All American?

23 Q Correct.

24 A Yes.

25 Q Now, I see on page 2 there's a reference to

1 affiliation agreements for All American TV, Inc.?

2 A Yes.

3 Q Did in fact Trinity Network enter into an affilia-  
4 tion agreement with All American TV, Inc.?

5 A Yes.

6 Q Was that reduced to writing?

7 A Yes.

8 Q Who prepared that document?

9 A It may have been -- I believe it was May and Dunne  
10 that actually prepared the agreement.

11 Q And what involvement, if any, did you have in nego-  
12 tiating that agreement?

13 A I believe Mr. Crouch and the principals of All  
14 American negotiated that agreement.

15 Q Can we move on to Bureau Exhibit No. 97? Do you  
16 know, do you know who prepared this document?

17 A It looks like possibly Norm Juggert did this one. I  
18 didn't have any involvement in this at all.

19 Q And I'd like to direct your attention to Bureau  
20 Exhibit No. 98, and that's a Special Meeting of Trinity  
21 Broadcasting Network on September 30, 1983. Why don't you  
22 take a moment to look at that. I notice in the first para-  
23 graph that you attended this meeting as well.

24 A Yes.

25 Q Why did you attend this meeting if you had resigned

1 from the Board?

2 A Mr. Crouch had asked me to be at the meeting and  
3 actually I think I at the inception was on the Board of this  
4 new corporation for Ciskei South Africa.

5 Q Now, in the second pr-- second paragraph, there's a  
6 discussion about authorizing money for Trinity Broadcasting of  
7 -- is it pronounced Ciskei?

8 A Ciskei.

9 Q Ciskei, C I S K E I.

10 A Um-hum.

11 Q First of all, what is Trinity Broadcasting of  
12 Ciskei?

13 A It's a foreign corporation. Trinity built a station  
14 in Ciskei. That is a African's homeland. At that time it was  
15 a newly formed country. And there were opportunities to go  
16 into that country and to build a station, and that's what --  
17 Trinity provided the funds to build that station.

18 Q In September 1985, who was on the Board of Trinity  
19 Broadcasting of Ciskei?

20 A I believe it was Mr. Crouch, Mr. Juggert, a South  
21 African representative, and myself.

22 Q now, would that be considered a -- an affiliate, a  
23 separate company, or would it be considered an owned-and-  
24 operated company? How would you classify Trinity Broadcasting  
25 of Ciskei?

1           A     It was an owned-and-operated company.

2           Q     And why do you say that?

3           A     Because --

4           Q     What's your basis for that?

5           A     Because the -- Trinity actually had all the Board

6 members were common with the exception of the one African, and

7 it was actually owned -- Trinity provided all the finances.

8 It was actually a Trinity corporation.

9           Q     Provided all the finances to Trinity Broadcasting of

10 Ciskei?

11          A     Yes.

12          Q     Who had provided all the finances to Translator

13 Television, Inc.?

14          A     But Translator has to repay. Ciskei was -- there

15 was no agreement to repay.

16          Q     So, this \$2 million was, was not evidenced by any

17 note?

18          A     No.

19          Q     Towards the bottom of this -- of the Minutes,

20 there's a classification of stations. Do you see that? Class

21 1, Class 2, and Class 3?

22          A     Yes.

23          Q     Do you know why these classifications were

24 established?

25          A     It basically was an in-house way of describing the

1 type of studio, whether there were no studios, whether there  
2 were limited studio prote-- production facilities, or whether  
3 there were full production studio facilities. And in the case  
4 of each station it was decided which class the station would  
5 fall into. And with the case of Ciskei, they would have  
6 probably limited production facilities.

7 Q Well, I notice that -- it says here: "After dis-  
8 cussion, we resolved and passed that affiliated stations be  
9 classified as follows..." What was that reference to affili-  
10 ated, and I emphasize the word affiliated? What does that  
11 mean?

12 A In, in this context, all I can do is give you my own  
13 interpretation, and I, I don't want to do that. When my -- if  
14 you're asking me for my own interpretation -- but, but I --  
15 that's all I can --

16 Q Do you know how it's used in this document?

17 A That's what I was trying to explain. I believe it  
18 was just to clarify the type of station that was going to be  
19 built in Ciskei. It would not be a full production studio  
20 providing network programming. It would be a station with  
21 limited programming facilities.

22 Q I know, but my question with respect to the phrase  
23 "affiliated stations," does that phrase refer to stations that  
24 are owned by companies which are -- which share no directors  
25 with TBN?

1           A     I don't know what was the context of Mr. Juggert's  
2 using that term in that instance.

3           Q     Let's move on to Bureau Exhibit No. 99, and that is  
4 a Special Meeting of Trinity Broadcasting Network held on  
5 December 11, 1985. Why don't you take a moment to look at  
6 that?

7           A     Yes.

8           Q     Now, I see in paragraph 2 that you attended this  
9 meeting as well?

10          A     Yes.

11          Q     And, of course, this is after you resigned from  
12 TBN's Board, is that correct?

13          A     Yes.

14          Q     Why did you attend this meeting?

15          A     I only attended meetings when Mr. Recr-- Mr. Crouch  
16 would ask me, and this had to do with the All American affili-  
17 ation, and I, I'm trying -- I would only have to re-- I would  
18 have to reconstruct. I don't really have a sharp memory of  
19 what this was about, but he would request me to come to the  
20 meeting if there was something specific that he wanted me to  
21 know about in that meeting. Normally I didn't attend the  
22 meetings.

23          Q     Is there a reference four paragraphs from the top  
24 about a loan to All American TV, Inc.? Do you see that?

25          A     Yes.

1 Q It said it approved a concept to loan funds. Do you  
2 know what that means?

3 A The concept to loan funds would be an agreement for  
4 programming, basically, where the loan would be paid back  
5 through the reduction of their zip code income. They were  
6 paid on the basis of the zip code income that came in from the  
7 contours of their station, identifiable contours of their  
8 station. And there would be a certain percentage of that  
9 reimbursement reduced -- they would get a reduction in order  
10 to pay off the balance of the note. And, most likely, that  
11 was the reason why I was to be there at the meeting, because I  
12 took care of the affiliation agreements.

13 Q There was a note for the loan that is contemplated  
14 in this paragraph?

15 A I believe there was a note and also -- and it in-  
16 cluded an agreement to reduce their debt through the zip code  
17 reductions.

18 Q Now, I see in the -- there's a -- the resolution  
19 paragraph: "Resolve the Officers of this Corporation are  
20 authorized and empowered..." Do you see that?

21 A Yes.

22 Q And that refers to a loan involving Trinity  
23 Broadcasting of Texas. Do you see that?

24 A Yes.

25 Q Now, Trinity Broadcasting of Texas, is that a fully



1 owned-and-operated company of TBN?

2 A Yes.

3 Q And what -- why do you say that?

4 A Because the Board of Directors own the corporation.

5 Q And did in fact TBN loan money to Trinity

6 Broadcasting of Texas?

7 A Yes.

8 Q Was that evidenced by a note?

9 A I don't believe that there was a note in this re-  
10 gard, no.

11 Q Thank you. Let's move to Bureau Exhibit No. 101,  
12 which is the 1986 Annual Meeting of the Combined Boards of  
13 Directors. You can take a moment, if you'd like to familiar-  
14 ize yourself with that document.

15 JUDGE CHACKIN: The witness has familiarized her-  
16 self with the material.

17 MR. SCHONMAN: Thank you, Your Honor.

18 BY MR. SCHONMAN:

19 Q Mrs. Duff, Translator TV, Inc., is included in this  
20 combined meeting. Is that correct?

21 A Yes.

22 Q Why is that?

23 A I think I gave a response earlier. I don't have a  
24 specific memory as to the Board voting to be a part of this  
25 meeting or anything like that. I'm not sure why it continued

1 to go on like that except it was convenient.

2 Q And I have the same question for Community  
3 Educational Television, Inc. That's also included at this  
4 combined meeting. Do you have an explanation as to why CET  
5 was included at this meeting as well?

6 A I think it was for convenience. All the Directors  
7 were -- they were mostly the same Directors and it was conve-  
8 nient for each one to be there and to take care of a lot of  
9 different business at the same time.

10 Q Mrs. Duff, there are references in these Minutes to  
11 a company by the name of Trinity Towers. Can you tell me what  
12 Trinity Towers is?

13 A Trinity Towers was a trailer park that was purchased  
14 at the same time that the Miami station was purchased. It was  
15 adjacent to the, the station and it was purchased and remained  
16 a separate corporation because it was purchased from the  
17 owners that wanted -- they wanted -- let's see. I'm trying to  
18 explain it so that, so that it makes sense. It was a for-  
19 profit corporation and it couldn't be absorbed into Trinity  
20 because Trinity is nonprofit, so it remained a nonprof-- a  
21 for-profit corporation. Therefore, it had to be separate from  
22 Trinity of Florida.

23 Q And there's also referenced in these Minutes Trinity  
24 of Ciskei, which you've discussed, and also Trinity of Nevis.  
25 What is Trinity of Nevis?

1           A     Trinity of Nevis is a corporation that built a  
2 station in Nevis, which is actually a foreign country. It's a  
3 country that gained its independence from England about 1984  
4 or '85. And a gentleman that had a permit for a station there  
5 donated the permit to, to Trinity so it could be built there,  
6 and so there was a corporation formed and that station was  
7 built there in Nevis.

8           Q     Now, Trinity Towers is not a -- an FCC licensee?  
9 That is, it doesn't own --

10          A     No.

11          Q     -- any stations. Is that --

12          A     No.

13          Q     -- correct?

14          A     That's correct.

15          Q     And Trinity of Ciskei and Trinity of Nevis are  
16 foreign corporations that are not regulated by the FCC. Is  
17 that --

18          A     That's correct.

19          Q     -- correct? Now, from reading these, these Minutes  
20 of the 1986 Annual Meeting, the -- it appears to me, and  
21 please correct me if I'm wrong, that you were an Officer of  
22 Translator TV, Inc. --

23          A     Yes.

24          Q     -- Trinity Towers, Trinity of Ciskei, and Trinity of  
25 Nevis?

1           A     Yes.

2           Q     Now, I'm only concerned about the companies that are  
3 regulated by the FCC. Given the list I just referenced, the  
4 only company in which you were an Officer that is regulated by  
5 the FCC is Translator TV, Inc., and I have a very simple  
6 question. Why is it that you're not serving on any other  
7 companies that are regulated by the FCC?

8           A     Community Educational Television is represented here  
9 and I'm on that Board. It's regulated by the FCC.

10          Q     All right. Any others?

11          A     I don't believe so.

12          Q     Well, Mrs. Duff, my, my colleague has just pointed  
13 out to me that on page 5 there's a reference to CET, Community  
14 Educational Television, and you're not listed there.

15          A     I think that's an error.

16          Q     Do you know why?

17          A     No. All I can say, it was just an error.

18          Q     Is there someone listed under Community Educational  
19 Television which --

20          A     I beg your pard--

21          Q     Is there, is there someone among those five people  
22 listed under Community Educational Television on page 5 who is  
23 not supposed to be there?

24          A     I don't believe so. I, I -- without -- I really am  
25 sorry. I don't have a frame of reference to help myself be

1 accurate, but all I can rely upon is my memory. And I'm  
2 sorry, I can't be absolutely certain.

3 Q Well, getting back to my question from earlier, why  
4 is it that you're an Officer of Translator TV, Inc., and,  
5 assuming what you're telling me is correct, that you're an  
6 Officer of Community Educational Television, why aren't you  
7 also an Officer of Trinity of Arizona, Florida, Oklahoma City,  
8 Indiana -- and I can go on, but all those companies and like  
9 companies?

10 A Some of them I was never on the Board of. I don't  
11 believe I was ever on Arizona or Oklahoma. I wasn't invited.

12 Q Were you ever on the Board of Ok-- an Officer of  
13 Ok-- of the Oklahoma company?

14 A I don't believe I ever was, or Arizona. I don't  
15 remember ever being on Arizona either. Possibly as an  
16 Assistant Secretary, but I don't think I was ever a Director.

17 Q Let's turn to page 3 of this document. A little  
18 above the center of the page there is the paragraph -- it's,  
19 it's a one-sentence paragraph: "The Board then considered the  
20 Minutes of the January 14, 1985, Annual Meeting; approved same  
21 by unanimous consent." Do you see that?

22 A Yes.

23 Q The reference to "The Board," which Board are these  
24 Minutes referring to?

25 A Since these are Mr. Juggert's Minutes, I think maybe

1 he could better answer that than I.

2 Q You don't remember?

3 A No, sir.

4 Q I have the same question for the next paragraph  
5 regarding the 1984 audited financial -- There was a reference  
6 to: "The Board discussed..." Do you know which Board dis-  
7 cussed? Was it CET? Was it Translator TV, Inc.? Was it, was  
8 it all of them?

9 A I think Mr. Juggert could best answer that since I  
10 didn't write the Minutes. I wouldn't be able to tell you with  
11 any degree of accuracy.

12 Q Mrs. Duff, can we turn to Bureau Exhibit No. 105,  
13 and that is a -- an invoice from the law firm of May, Dunne,  
14 and Gay dated June 12, 1986. Do you see that?

15 A Yes.

16 Q Now, there's a reference there to services rendered  
17 on behalf of Translator TV, Inc. Do you see that?

18 A Yes.

19 Q Is this bill, this invoice from May and Dunne, is  
20 this the first bill that you can recall in which May, Dunne,  
21 and Gay identified Translator TV, Inc., as a company on which  
22 it perfor-- for which it performed services?

23 A I'm not sure. I -- and yesterday we reviewed ano-  
24 ther bill and I don't know whether this is the same one or a  
25 different date. I'm, I'm not sure. There, there were proba-

1 bly two instances where we were billed --

2 Q Mrs. Duff --

3 A -- but I'm not sure.

4 Q -- why, if you know, did May and Dunne -- May,  
5 Dunne, and Gay send a bill to Paul Crouch at Trinity  
6 Broadcasting Network for services rendered to Translator TV,  
7 Inc.? Why didn't, why didn't they send the bill directly to  
8 Translator TV, Inc.?

9 A There was a habit to send the bills to Mr. Crou--  
10 actually, the bill would come directly to me because I handled  
11 the bills, all the attorney bills. So, it was a formality, I  
12 guess, of their accounting department. I don't know why. I  
13 think maybe that question would be best addressed to Mr. May.

14 Q Did you ever bring it to the law firm's attention  
15 that Translator TV, Inc., should be billed directly because it  
16 was, to use your term, a separate company?

17 A I think we did discuss that, but it was, it was  
18 later. It was probably when Translator had a lot more  
19 activity.

20 Q Who paid the bill, this bill of June 12, 1986? TBN?

21 A TBN's Accounting Department, but it would have been  
22 on the books for Translator expense.

23 Q The next exhibit is Bureau Exhibit No. 108, and  
24 that's a Return of Organization Exempt from Income Tax, Form  
25 990, for the year 1985.

1 (Off the record.)

2 (On the record.)

3 JUDGE CHACHKIN: Go ahead, Mr. Schonman.

4 BY MR. SCHONMAN:

5 Q Mrs. Duff, you've had the opportunity to look at  
6 that?

7 A Yes.

8 Q Do you recall reviewing this on or about the time it  
9 was prepared?

10 A No, I don't really recall.

11 Q You'll notice at the bottom of the first page there  
12 is a negative Fund Balance?

13 A Yes.

14 Q How much is it?

15 A 277,103.

16 Q Did anyone on the Board of, of Translator TV, Inc.,  
17 notice that at the time?

18 A Apparently not. I, I'm -- I wasn't focused on it  
19 myself.

20 Q Would it have been your practice to review this  
21 document?

22 A I'm not sure I would have reviewed it in 1985. I  
23 don't have a, a real memory of having reviewed it, but it -- I  
24 possibly did, but I, I don't really remember.

25 Q Who prepared the document?



1           A     It was prepared by our auditors. I believe it's  
2 stamped on one of the pages here. Richard Hoffman.

3           Q     When you say "our auditors," you mean TBN's  
4 auditors?

5           A     TB-- I'm sorry. TBN's auditors.

6           Q     Thank you. Let's move to Bureau Exhibit No. 110,  
7 and that's an Audit -- for December 31, 1985. And as we have  
8 done before, this time I'll direct your attention to page 8.  
9 Now, you see Translator TV, Inc., is included in this Combined  
10 Financial Report?

11          A     Yes.

12          Q     Do you see that? Can you tell me why it was in-  
13 cluded here in 1985?

14          A     I don't know.

15          Q     Did you review this document at the time it was  
16 prepared?

17          A     I, I don't really remember reviewing it, no.

18          Q     Would it have been your practice to do so?

19          A     It would have been my practice to review so.

20          Q     Do you recall any discussions about a negative Fund  
21 Balance of almost \$342,000?

22          A     No, I don't.

23          Q     Was the company, to use your term, dormant at this  
24 time?

25          A     In '85 there wasn't any activity.